



REGIONAL INITIATIVE REPORT

Publication of the U.S. Regional Initiative in the Russian Federation

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Junior Achievement Celebrates Its Third All-Russian Student Company Trade Fair on Its 10th Anniversary

MOSCOW - Junior Achievement (JA) of Russia celebrated its third all-Russian student company trade fair in Park Place on January 15. The event brought over 250 finalists from 29 regions of Russia, including student teams from Kazakhstan and Kyrgyzstan for the first time.

The winner Voltea - a team from Vologda - was invited to represent JA of Russia and participate in the 14th Young Enterprise Europe International Student Company Trade Fair in Gateshead, U.K., on March 15-18, 2002 - where it then won first in one of three categories (International Trade).

The fair drew a number of leaders and representatives from government, business and other organizations, including the Canadian Ambassador to Russia Rodney Irwin and Lisa Vershbow, the wife of the U.S. Ambassador to Russia.

At the Award Ceremony the participants and attendees were greeted by JA Co-Chairman Yevgeniy Velikhov, USAID Director Carol Peasley, U.S. Congressman Curt Weldon, and JA International Vice President David Loose.

The Trade Fair culminated with an evening reception on the occasion of the Tenth Anniversary of JA of Russia hosted by the U.S. Ambassador to Russia Alexander Vershbow and Mrs. Lisa Vershbow.

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"Junior Achievement has been so successful in Russia, because it appeals to the hopes and dreams of young people, their teachers and parents. It is a program that will help them succeed in a modern and strong market economy, by giving them the understanding, and the ethics to compete," said Ambassador Vershbow.

Russian teams have done extremely well in international JA competitions. In 1994 Russian teams won first, third and fourth in the Hewlett Packard Global Business Challenge. In 1997, two Russian teams took second and fourth place in management simulation competitions in Tokyo, Japan, in 1998 a team won fourth in Atlanta, Georgia (USA). In 2001, two Russian teams took prizes in Dorset, U.K.

JA of Russia has operated under the sponsorship of USAID since December 1991. The organization educates Russian youth about economics and business in a market economy system through instruction reinforced with business simulation module competitions. JA of Russia is a non-profit organization that works with teachers of Russian primary and secondary schools to develop fundamental business skills of school children.

JA programs have trained over 10,000 high school instructors, who have reached more than 1.7 million school children in 80 regions across Russia. JA of Russia operates through a national network of 31 regional centers.



*Ambassador and Lisa Vershbow
with JA Co-Chairman Evgeny
Velikhov*

Junior Achievement and the Regional Initiative

RUSSIAN FAR EAST - Viktor Maximov, Director of Junior Achievement (JA) in the Sakhalin region of Russian Far East, won JA's Best Administrator award. He was singled out from among JA's 31 regional centers in Russia. The Sakhalin JA center is considered the strongest center in terms of organization, management and private-sector support. Its programs are active in more than 40 schools and have touched more than 12,000 school children throughout the region.

SAMARA - Olga Pakhomova, the JA of Russia representative in Samara, conducted five seminars for schoolteachers in Togliatti in March 2002. Forty-three teachers from 23 schools participated in these seminars. Approximately 30 of these teachers intend to start teaching JA economic courses at their schools next academic year.

JA programs are currently active in 37 schools in the Samara Region and over 250 teachers use JA materials and teaching methodologies. The one-millionth JA student in Russia was Samara's Kirill Atamov, who is now the owner of a wholesale bulk fabric business with two outlets and a 16 person staff.

TOMSK - JA programs are active in five primary and secondary schools in Tomsk and the regional center is located in Novosibirsk. Tomsk teams have participated in national and in regional competitions in 2000-2001.

Samara

Business for Russia Spurs Local High-Tech Business

SAMARA - Local high-tech entrepreneur Peter Skobelev attributes his companies' successes to a U.S. small business exchange program - Business for Russia. Peter claims that his Chicago trip in February 2001 changed his fundamental approach to high-tech business.

Upon his return to Russia, Peter decentralized the organizational structure of his companies to create independent divisions, which were free to act on their own and compete with each other. Secondly, the companies changed their approach to their product line by breaking up complex solutions into smaller and simpler parts.

In addition, one of his companies formed a partnership with his U.S. host company. They are currently working on four business projects together. As a result, Peter reached record sales figures and at the same time increased his employees' salaries three-fold.

Business for Russia is a short-term U.S. exchange program funded by the U.S. Department of State's Bureau for Education and Cultural Affairs through a grant to the International Research and Exchanges Board (IREX), which provides Russian entrepreneurs with exposure to U.S. business practices and contacts within their respective sectors. Since the program's beginning in 1994, more than 3,000 Russian entrepreneurs from 59 regions have traveled to the United States.



Women's Center Opening in Samara

Health Partnership Clinic Improves Services for Women and Diabetics

SAMARA - Samara Polyclinic #15's Chief Doctor said that an American International Health Alliance (AIHA) program with the State of Iowa Health Department helped it improve women's health care and treat diabetics. Since 2000, nearly 20 doctors and nurses have traveled to hospitals and clinics in Iowa to learn about new techniques, technologies and medication in those two areas.

The partnership has just officially opened a new women's wellness center on March 22 and modernized its healthcare management. In addition to the center, the clinic now offers training to diabetics in disease management, including diet and physical activity, blood sugar measurements, possible complications and prevention.

The USAID-sponsored AIHA partnership program has brought over 40 Russian and U.S. institutions together to develop preventive and curative techniques and improve primary health services to the population. The program has leveraged approximately \$11 million in private U.S. support for health care programs in Russia.

FINCA Reports Record Loan Disbursements to Small Business Owners

SAMARA - In February the Foundation for International Community Assistance (FINCA) reported breaking the \$500,000 milestone in loan disbursements to entrepreneurs of micro and small businesses. This record is even more impressive considering the fact that winter is normally considered a dead-season for micro-lending.

FINCA's micro-lending continues to serve one of the most disadvantaged sectors of the local economy - fledgling entrepreneurs, many of whom have lost their jobs in industry and other sectors. Russian commercial banks typically support larger businesses and require collateral. FINCA programs on the other hand disburse loans to individuals in a group, who pledge to pay bad loans of other group members whose businesses may fail, and to individual entrepreneurs - either graduates of the group lending program or new clients, who can provide collateral and/or loan guarantees.

FINCA operates through a USAID grant and has been active in Samara since August 1998. Since the program's beginning, over \$6 million have been provided to 1,600 Samara micro-businesses, and FINCA has supported 8,000 local jobs in the Samara region. The repayment rate is currently 99 percent.

Tomsk

Community Coalition Addresses Anti-Corruption

TOMSK - On March 28, Tomsk Civil Society Coalition Against Corruption held a forum to discuss the results of a two-week USAID/Academy for Educational Development anti-corruption study tour to the United States. Participants presented action plans and ideas developed at the end of their tour after meeting with U.S. federal agencies and watchdog groups that monitor the activities of the government. At the forum, participants also discussed recommendations to increase transparency and prevent corruption in the local budgeting process.

The forum was a part of a series of meetings organized by Tomsk Civil Society Coalition Against Corruption to address regional corruption issues with representatives from the local government. Previous meetings focused on reaching a consensus on the definition of corruption and its causes, and the last meeting developed specific recommendations for the Tomsk City Duma to consider on a legislative provision of a local tax that forum participants identified as problematic and ultimately would lead to corruption.

Tomsk Civil Society Coalition Against Corruption was established in Tomsk oblast last November by 22 civil society organizations, including non-governmental organizations, business and professional associations, and the media. The Coalition receives support from USAID and a U.S. consulting firm Management Systems International.

NGO Grant Educates Tomsk Residents about Safety Issues in Nearby Chemical Plant

TOMSK - The Institute for International Ecological Safety received a USAID non-governmental organization (NGO) grant to educate citizens about unexpected accidents in the nearby Siberian Chemical Factory, located on the outskirts of Tomsk. The plant is considered dangerous to the life and health of local residents, and together with the

Tomsk Municipal Administration, the Institute has been active in raising the public's awareness of its safety issues.

Since August 2001, USAID has assisted 65 NGOs through the Tomsk affiliate of the Siberian Civic Initiative Support Center to increase their capacity and ability to represent their clients' interests and advocate for their constituents' interests. The Institute for International Ecological Safety received funding under a project, in which 15 different projects were awarded financing in two local grant competitions.



Ecological Program Impacts the Lives of Orphans

TOMSK - Children's voluntary organization House of Nature is currently developing plans to bring children of well-off families and of children's home together to go on hiking and camping expeditions. The idea was inspired by the success of a recent project where 25 orphans from two children's homes in Tomsk took part in ecological hikes in groups with children who live in families.

The House of Nature organized a number of hiking expeditions in their own and neighboring regions. The children learned basic outdoor skills like how to set up a tent, provide first aid to a hypothermia victim and make a bonfire. Porridge from the pot, sitting round the campfire, playing guitar and singing, and

the friendly atmosphere all had an impact on the lives of the orphans.

As a result instructors at the children's home have noticed the change in behavior in the children, who have become more independent and responsible. They have learned to solve conflicts peacefully, become less aggressive with each other, and have even broken out of the closed circles of the children's home to make and mingle with friends from the outside.

The idea to create a system to set up ongoing work on social adaptation of orphans was supported by the USAID-supported Assistance to Russian Orphans program, which works to promote community-based family-centered services to improve the current state of Russian orphans.

Russian Far East

SABIT Alumni Join U.S. Trade Mission Events

YUZHNO-SAKHALINSK - Fifteen U.S. companies from the oil and gas, construction and transportation sectors met with Russian regional officials and businessmen to access commercial opportunities in the region's multi-billion dollar energy sector on the island of Sakhalin on March 10-14, 2002. The U.S. Department of Commerce's Trade Mission to Yuzhno-Sakhalinsk was led by Deputy Assistant Secretary for Energy, Environment and Materials Kevin Murphy to support U.S. business interests in the region.

The Department of Commerce invited alumni of its Special American Business Internship Training (SABIT) to some of the events organized for the Trade Mission. Alumni had the opportunity to meet one-on-one with U.S. company representatives, many of whom were hosts to recent SABIT oil and gas sector groups.

U.S. Academic Exchange Alumnus Conducts E-Commerce Seminar

KHABAROVSK - U.S.-sponsored academic exchange alumnus Andrey Pack (FSA-FLEX '97) conducted a "Business and the Internet" seminar at the Internet Access and Training Program (IATP) site located at the Khabarovsk State Academy of Economics and Law on March 12, 2002. Participants learned about business applications on the Internet, related security issues, and the advantages and shortcomings of e-commerce.

The Bureau of Educational and Cultural Affairs of the U.S. Department of State oversees the IATP, administered in Russia by Project Harmony, Inc. The program provides alumni of U.S. government exchange programs with Internet access and training through 63 public access sites in 34 different regions across Russia. Training programs, professional workshops, a mini-grant program and online events are components of the program. Since the program began in 1996, approximately 25,000 alumni have used the resources at IATP sites.

Roundtable Discussion Bridges Differences Between Journalists and Judges

VLADIVOSTOK - The Press Development Institute in Vladivostok held a USAID-supported roundtable for journalists, judges, prosecutors and lawyers to discuss widespread violations of journalists' rights to free speech and public information on March 14, 2002. Journalists presented an exposition of the legal issues affecting journalism and cited violations of articles to the media law and federal civil and criminal procedural codes.

For example, in cases of denial of access to public information, journalists alleged that officials failed to provide information within the prescribed period or did not respond or failed to provide a written explanation. In addition, judges consistently ruled in favor of the public official who had sued a journalist for defamation. Over seventy such judgements were handled down in 2001.

The Chairman of the Primorskiy Kray Court announced that the journalists' grievances were convincing and he would modify training courses for judges to ensure that such violations and misinterpretations of law would be minimized in the future. The journalists also gave the judges detailed written information on incidents they had experienced to help guide them in altering their approach to such cases.

Contributions

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